

Federal worker, and that is akin to about a 10-percent tax increase. That is something we ought not to do in the fashion that we are doing it. That is the purpose of us rising.

Mr. Speaker, we are not going to object because there has been an agreement, and very frankly we understand, even if we objected, they could make a motion tomorrow to do the same thing, and I am convinced they would prevail, but I hope we look at this matter very closely. My friend from California said he may agree with me if we affected military retirement in this fashion. We would not want to do that. I say to my colleagues, don't do it to civil service employees any more than you would do it to military personnel in this fashion.

Mr. MORAN. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Virginia.

Mr. MORAN. Mr. Speaker, just as the gentleman from Pennsylvania who asked unanimous consent request, I ask that the Members of Congress realize what this means to them or, more importantly, to their staffs, in fact to all the committees' staffs, all the people who work up here on the Hill. They will see their retirement contribution requirement increased by about 12 percent, from 8 to 9½ percent. On the base that is about a 12-percent increase. They will see their accumulated retirement reduced by 2 percent. So we hit them on the front end in terms of what they contribute and on the back end in terms of what they are able to accumulate toward their retirement, but when we compare that to Federal employees, there was actually a 35-percent increase. That is 2½ percent over the current base of 7 percent, a 35-percent increase over what they are currently paying, plus there will be a reduction in what they are able to receive.

And in the Thrift Savings Plan, which was designed to fix this, which we were committed to sustaining and to not changing, there will be a reduction in the employer contribution, the Federal Government's contribution, from 5 down to 3 percent. This will affect the quality of life is everyone in the Federal Government who is dependent upon a Federal retirement, whether it is in the legislative branch, or the executive branch, or the judiciary branch.

This is a profound change in the assumptions that people have made when they seek and obtain Federal employment and when they plan their retirement years, and yet we get unanimous consent to mark up a bill with a few days notice, and bring it to the floor and make such a profound change with very little consideration.

Mr. HOYER. Mr. Speaker, I thank the gentleman, and just in closing:

We ought to remember approximately 90 percent of private sector employees in America make no contribution to their retirement systems, none. Federal employees are now making a 7-percent contribution. Now, the Federal

employee pension system is a better system than most private sector pension systems. I mentioned that Ronald Reagan signed the bill in which we formed this working with a Republican Senate and a Democrat House.

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In 1990, A Democratic Senate and a Democratic House, working with a Republican President, George Bush, tried to reform and did reform the pay system. And the reason President Bush and his administration agreed to that was because they believed, correctly, that pay was not comparable, and they further believed that you ought not to modify in any way the pension system until you got pay comparable.

President Bush then signed the locality bill, the Federal Comparability Pay Act, and said in signing that that he hoped to put the pay and retirement system on a solid base. That is our point. We ought to retain what we have. We ought not to change it and we ought not to do it in this way.

But, again, as I said, Mr. Speaker, I will not object because of the fact that my leadership has agreed to this process.

The SPEAKER pro tempore (Mr. SHAYS). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE EFFECTIVENESS OF OUR WELFARE SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. TALENT] is recognized for 5 minutes.

Mr. TALENT. Mr. Speaker, next week the House will take up an historic piece of legislation, the welfare reform bill. There has been a lot of discussion about spending on welfare in the context of that bill and there is going to be a special order later this evening which will discuss that further.

I want to talk just for a few minutes not about spending as such, but about the relationship between spending on welfare and the effectiveness of our welfare system. And I am going to do that first by looking at this graph, which is very informative. It shows us how welfare spending has grown since the Great Society programs were announced in the mid-1960's.

What you can see from that, Mr. Speaker, is that in approximately 1965 we were spending about \$30 billion in Federal and State spending on welfare. And that by 1992, we were spending close to \$300 billion on welfare, or a tenfold increase in how much we were

spending on welfare. So we had an explosion in welfare spending on the Federal and State level in the last 30 years.

But look, Mr. Speaker, at what has happened to the poverty rate during that period of time. In 1948, it began a steep decline, down to about 15 percent in approximately 1965, at the same time as welfare spending has exploded and it has stayed the same. It has gone up slightly since 1965.

This vast explosion of welfare spending has brought us not a decrease in poverty but, in fact, a slight increase in poverty and we are entitled to say, why? Why at the same time as we have increased, exponentially, spending on antipoverty programs has poverty stayed the same when it was declining beforehand?

The reason is because of the incentives in the welfare system. The welfare system pays this money only on the condition that people have a child without being married, earlier than they probably otherwise would, and without having a job.

so what the welfare system is doing is destroying work and marriage and family and responsibility. And if you destroy that, it does not matter how much money the government gives somebody, you are not going to get people out of poverty. It is like bailing water out of a boat with one hand while you are pouring water in with the other.

I want to go to the other chart. I only have a few minutes. This is a projection of what is going to happen with welfare spending in the future.

Now, this is a baseline before the welfare reform bill that we are working with that we will be debating next week. You will see that welfare spending is projected to go up from \$300 billion in 1992 to close to \$520 billion by 1998. By that time, it will be almost twice what we spend on defense.

Now, the CBO numbers are not out, Mr. Speaker, so I did not put it on here. The Republican welfare bill we are going to debate allows welfare spending to go up about half that much by the rate of inflation.

And I want to close with a couple of comments. In the first place, nobody in Washington is talking about cuts in welfare. The bill we will debate next week will allow welfare to grow at approximately the rate of inflation. If you hear anybody talking about cuts in welfare, they are either very much mistaken or they are simply uttering something that is not true.

The second point that these two graphs graphically show is how much we are spending on welfare is a lot less important than how we spend it, because values are more important than money. What we have been doing in the past is spending money on welfare in a way that has destroyed families and destroyed work. And so we have gotten not only not less poverty, but more poverty.